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FEDERAL COMMUNICATIONS COMMISSION WASHINGTON, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
IN REPLY REFOREFORE OF THE SECRETARY

DOCKET FILE OLDY ORIGINAL

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Honorable Trent Lott United States Senate 487 Russell Senate Office Bldg. Washington, DC 20510-2403

Dear Senator Lott:

This is in response to your letter of September 8, 1993, addressing the 2 GHz Personal Communications Services (PCS) proceeding, GEN Docket No. 90-314. Your constituent, Joseph D. Fail, expresses support for nationwide licensing of PCS.

On September 23, 1993, the Commission adopted final rules in GEN Docket No. 90-314, allocating 120 megahertz of spectrum for licensed PCS. The Commission decided to adopt Basic Trading Areas (BTAs) and Major Trading Areas (MTAs) for service areas; 60 megahertz of spectrum was allocated for BTAs and 60 megahertz for MTAs. There are 492 BTAs and 51 MTAs for licensing purposes. The Commission concluded that BTAs are representative of likely PCS markets in which local communications will take place, and that MTAs will provide the economies of scale and scope necessary to promote development of low cost PCS equipment. In a companion Notice of Proposed Rule Making in PP Docket No. 93-253, the Commission proposed to permit competitive combinational bidding for the two 30 megahertz MTA spectrum blocks, thus facilitating the possibility of nationwide PCS. In combinational bidding, the Commission would accept bids both for licenses individually and for all the individual licenses in the block. Licenses would be awarded as a group if a bid for the licenses as a group exceeded the sum of the highest bids for the licenses individually. Commission also proposed preferences for two channel blocks totalling 30 megahertz of the BTA spectrum for rural telephone companies, small businesses, and businesses owned by minorities and women.

The Commission's actions regarding PCS are designed to ensure the expeditious provision of PCS in both urban and rural areas, and promote diversity in the provision of PCS. I am attaching the press releases of GEN Docket No. 90-314 and PP Docket No. 93-253 that more fully describe the Commission's actions.

Sincerely,

. . .

Thomas P. Stanley
Chief Engineer

Enclosures

TRENT LOTT
MISSISSIPPI
CHAIRMAN:
COMMITTEE ON
COMMITTEES

United States Senate

903H

COMMITTEES:
ARMED SERVICES
COMMERCE, SCIENCE, AND
TRANSPORTATION
BURGET

WASHINGTON, DC 20510-2403

Suite 226, Eastland Building 245 East Capitol Street Jackson, Mississippi 39201

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September 8, 1993

Ms. Lou Sizemore Congressional Correspondence Staff Federal Communications Commission Office of Congressional and Public Affairs 1919 M. Street, N.W. Washington, D.C. 20554

Dear Ms. Sizemore:

I wanted to write to you on behalf of Joseph D. Fail.

The enclosures with this letter detail the nature of the concern and should be self-explanatory. I would sincerely appreciate your looking into this situation in a way that will provide every possible assistance. Should you have any questions about these materials, please feel free to make any direct constituent contact you feel necessary for whatever additional information you or your staff might need.

I would like to respond in a very personal way, and would greatly appreciate your providing me with information that would be of assistance.

Again, I truly appreciate your time and attention to this for me.

With kind regards and very best wishes, I am

Sincerely yours,

Trent Lott

TL:fj





P. D. BOX 409 - - PHONE 601 - 764-2121 BAY SPRINGS, MISS. 39422

September 3, 1993

Senator Trent Lott 245 East Capitol Street Suite 226 Jackson. MS 39201

RE: FCC Licenses for Personal Communications Services

Dear Senator Lott:

I am the vice president of Bay Springs Telephone Company ("Bay Springs"), a Mississippi company and a participant in a national consortium which was established to provide wireless personal communications service on a nationwide basis. Bay Springs strongly advocates that the Federal Communications Commission grant licenses to personal communications service providers on a national basis. Bay Springs asks that you support national licenses as well, in the interests of accelerating the availability of advanced communications technology to the small towns and rural residents of Mississippi.

Bay Springs is a Mississippi company which provides telephone service to a small town and rural areas in Mississippi. If national licenses are established, Bay Springs will be able to provide its customers with advanced wireless personal communications services. Bay Springs believes that a national license offers the best way for rural communications providers such as Bay Springs to compete. As part of a national consortium, Bay Springs will have access to new technologies, technical and financial support, and economies of scale not available to it if it were to try to enter this new market on its own. With a national consortium, Bay Springs will be able to offer personal communications service to the citizens of Mississippi sooner and more efficiently; and it will be able to offer Mississippi innovative portable telecommunications with nationwide access.

Senator Trent Lott September 3, 1993 Page 2

Although there are other national consortiums, the one in which Bay Springs is participating involves MCI and over one hundred local companies, including small businesses, rural service providers and women and minority owned businesses. These local companies will own and control their own businesses, but have the advantage of interconnecting with each other; and we will have the significant support of MCI behind us. These advantages will allow Bay Springs to enter the wireless personal communications market, and remain an economically viable provider of local telephone service to the small towns and rural areas of Mississippi.

If the FCC establishes only regional licenses and it allowed to fragment the country into separate areas, it will severely harm Bay Springs' chances of participating in this new service at all, and it will impair Bay Springs' chances of succeeding and growing.

This country's experience with the early cellular licenses is a lesson we do not want to repeat. Please tell the FCC that it can establish both regional and national licenses. Bay Springs needs your support.

Thank you for your consideration of this issue.

Yours very truly,

Joseph D. Fail Vice President

JDF/mc

cc: Chip Pickering